II. The Amending Act of 1891 and the *Kongorot* decision

The exemption refers only to food, but not to food-related processes.[33] So substance claims were excluded from patentability, but process claims were allowable under the German Patent Act of 1877.

Parallel imports of food from countries where food-related processes were not patentable could not be prohibited, as the scope of process patents did not extend to the product directly obtained from the process. Switzerland did not have a patent system until 1888 and chemical substances were not patentable until 1907 in the Swiss patent system.[34] Consequently, there was no patent protection for food and chemical substances in general. The circumvention of patented processes by imports from Switzerland was considered to be an enormous deficit.[35]

The deficits in the scope of protection of the German Patent Act of 1877 led to the Amending Act of 1891, which increased the scope of protection of patents on food-related processes as described below, but did not yet abolish the exemption. An expert commission, the "Enquete in Betreff der Revision des Patentgesetzes vom 25. Mai 1877," was appointed to draft the Amending Act. The task was to improve and internationalize the German Patent Act of 1877. The enquete commission focused on an extension of the scope of process patents to include the product that was directly obtained from a patented process.[36] The discussion was concentrated on processes for chemical substances in general. The abolition of the exemption to patentability of food, pharmaceuticals and chemical substances was not discussed. The reasons for this omission have not been traceable. The exemption was only negotiated in the context of improvement of process patents.[37]

33 *Kohler*, Handbuch des Deutschen Patentrechts in rechtsvergleichender Darstellung, Mannheim 1900, 176.

34 *Stolz*, Der Aufbruch der Schweiz ins Industriezeitalter, 7, in: *Stolz*, Industrialisierung und Innovation in Großbritannien und der Schweiz, Basel 2004, available at www.wwz.unibas.ch/wige/-lehre/skripten_stolz/Stolz_Vorl2_Schweiz_im_Industriezeitalter.pdf.

35 Swiss exports of dye used for colouring and printing to Germany, one of the main producers of coal based dye, amounted to 1.75 million *Reichsmark* in 1884. Bericht der Enquete-Kommisssion zur Revision des Patentgesetzes, Berlin 1887, 16.

36 Stenographische Bereichte über die Verhandlungen der Enquete in Betreff der Revision des Patentgesetzes vom 25. Mai 1877, Berlin 1887, questions 7-9, 89.

37 The representatives of the chemical industry opposed patents for chemical substances in the first place during the negotiations of the German Patent Act of 1877. These representatives persisted during the negotiations of the Amending Act of 1891 that product claims would prevent improvements of the production process and therefore could not be allowed. Bericht der Enquete-Kommisssion zur Revision des Patentgesetzes, Berlin 1887, 19.

The Amending Act of 1891 extended the scope of process patents to the products directly obtained by such a process.[38] Imports from countries that did allow process patents on chemical substances, the so-called illoyal imports,[39] could finally be prohibited. Hence, the scope of protection of patents on food-related processes was extended substantially. Furthermore, the Amending Act of 1891[40] codified a shift of the burden of proof regarding the infringement of patents on food-related processes. Infringements of process patents are generally hard to prove. This is especially the case for processes that result in identical products. Until then, the burden of proof lay with the owner of a patent; it was now shifted to the potential infringer. Thus the potential infringer of a patent on a food-related process had to prove that the food product in question had not been produced by the patented process.[41] This was an improvement with respect to patent enforcement for the patent owner.

Additionally, the *Kongorot*[42] decision of the Supreme Court of the German Empire, the *Reichsgericht*, in 1889 closed gaps in protection by allowing patents on analogous chemical processes. The *Kongorot* decision formed the basis for the patentability of the so-called chemical-analogous processes. Food-related processes were patentable, when they were new and based on an inventive step. Patents on processes that were known in the art but led to new and valuable food were therefore not allowable. This gap in protection due to the exemption to patentability of food, pharmaceuticals and chemical substances caused the *Reichsgericht* to allow patents on chemical-analogous processes. Patents were thus allowable for processes known in the art as long as they lead to valuable and non-obvious products.[43] *Von Kreisler* pointed out that the *Kongorot* decision was based rather on economic needs than on juridical logic.[44]

After 1891, patents on food were *de facto* obtainable. The exemption in the German Patent Act of 1877 thus was a formal exemption due to the Amending Act of 1891 and the *Kongorot* decision that bypassed the exemption and paved the way for the patentability

38 Sec. 4: Ist der Patentschutz für ein Verfahren erteilt, so erstreckt sich die Wirkung auch auf die durch das Verfahren unmittelbar hergestellten Erzeugnisse. Patentgesetz, 7.4.1891, Reichsgesetzblatt 1891, 501. [Translation: If the subject matter of the European patent is a process, the protection conferred by the patent shall extend to the products directly obtained by such a process.]

39 *Klöppel*, Patentrecht und Gebrauchsmusterrecht, Berlin 1908, 43.

40 Sec. 35 PatG of the German Patent Act of 1877 amended in 1891: Wer wissentlich oder aus grober Fahrlässigkeit den Bestimmungen der §§ 4 und 5 zuwider eine Erfindung in Benutzung nimmt, ist dem Verletzten zur Entschädigung verpflichtet. Handelt es sich um eine Erfindung, welche ein Verfahren zur Herstellung eines neuen Stoffes zum Gegenstande hat, so gilt bis zum Beweise des Gegenteils jeder Stoff von gleicher Beschaffenheit als nach dem patentierten Verfahren hergestellt. Patentgesetz vom 7. April 1891, Reichsgesetzblatt 1891, 501 [Translation: Whoever uses an invention disregarding Secs. 4 and 5 in a conscious or grossly negligent way, is committed to compensation. If the invention concerns the process of a new substance, every substance is considered to be manufactures by the same process unless the opposite is proven].

41 *Klöppel*, Patentrecht und Gebrauchsmusterrecht, Berlin 1908, 44.

42 Reichsgericht vom 20.03.1889 = 7 Gareissche Sammlung 47.

43 *Kreisler*, Für und wider den Schutz von chemischen Stoffen, Arznei-, Nahrungs- und Genussmitteln, GRUR 1951, 534, 537.

44 *Kreisler*, Für und wider den Schutz von chemischen Stoffen, Arznei-, Nahrungs- und Genussmitteln, GRUR 1951, 534, 537.

of food. Process patents for the production of substances that were excluded from patentability provided a similar scope of protection as substance patents.[45] Such process patents were consequently also referred to as "conditional" substance patents. Additionally, patents on chemical-analogous processes were granted even if they were not new. The Amending Act of 1891 and the *Kongorot* decision balanced the interests of both inventors and those who feared the negative effects of an absolute protection of food.[46]

III. The patentability of food in the Amending Act of 1967

Reasons of public nutrition and health led to the exemption in the German Patent Act of 1877. Ninety years later, the exemption was removed in the German Patent Act of 1967, as none of the prejudices against patents on food could be verified in practice. Consequently, the exemption was no longer politically necessary, having become obsolete.

The abuse of patents on food for marketing purposes could not be prevented by the exemption. In 1967, there was still unfair competition in food advertising even without patents on food.[47] The exemption to patentability of chemical substances could not justify the exemption because countries granting patents on chemical substances, like UK or the U.S., were in good economic positions.[48]

All in all, there was no justification for the exemption.[49] The food sector was deprived of substance patents as the most important tool to protect its inventions. Therefore the food sector was discriminated against without substantial reasons.[50] As a consequence, the exemption was abolished by the Act of 1967 amending the German Patent Act.

The implementation of the European Patent Convention (EPC) caused a reform of the German Patent Act in 1967. The draft of the EPC did not exclude food, pharmaceuticals and chemical substances from patent protection.[51] Its implementation into the German

45 *Hubmann&Götting*, Gewerblicher Rechtsschutz, 7th ed., München 2002, 117. *Kreisler*, Für und wider den Schutz von chemischen Stoffen, Arznei-, Nahrungs- und Genussmitteln, GRUR 1951, 534, 537, e.g. German patent DE 745312.

46 *Klöppel*, Patentrecht und Gebrauchsmusterrecht, Berlin 1908, 44.

47 *Metzger*, Nahrungsmittel und Erfindungsschutz: Eine Zusammenstellung patent- und erfinderrechtlicher Gesichtspunkte für die Lebensmittelindustrie, Ph.D. Thesis, University of Erlangen 1951, 2.

48 *Metzger*, Nahrungsmittel und Erfindungsschutz: Eine Zusammenstellung patent- und erfinderrechtlicher Gesichtspunkte für die Lebensmittelindustrie, Ph.D. Thesis, University of Erlangen 1951, 5.

49 *Metzger*, Nahrungsmittel und Erfindungsschutz: Eine Zusammenstellung patent- und erfinderrechtlicher Gesichtspunkte für die Lebensmittelindustrie, Ph.D. Thesis, University of Erlangen 1951, 2, 6.

50 *Rheinfelder,* Die Bedeutung des im Vorentwurf für ein europäisches Patentrecht vorgesehenen Patentschutzes für chemische Stoffe, GRUR 1964, 354, 358, Die Lissabonner Konferenz, Bericht von Mitgliedern der deutschen Delegataion, GRUR Int. 1959, 58, 67. The U.S. allowed substance patents for chemical inventions before 1877. England has removed substance protection for chemical inventions in 1919 and reestablished substance claims for chemical inventions in 1949. *Zutrauen*, Über den Schutz chemischer Erfindungen in Frankreich, GRUR Int. 1958, 331.

51 *Nastelski,* in: *Reimer* (ed.), Patentgesetz und Gebrauchsmustergesetz, 3rd ed., Köln 1968, 127.